

(c) When a district has requested termination (with the approval of the State or States affected, unless such approval is waived by EDA); or

(d) Where a funded district fails to comply with terms and conditions of an EDA planning grant agreement.

§302.9 Benefits.

(a) Designation of an economic development district within which the economic development center (EDC) is located is a prerequisite to EDA providing financial assistance to an EDC.

(b) Projects in redevelopment areas which are located within designated economic development districts and which actively participate in the economic development district's OEDP planning process are eligible for 10 percent bonus grants, if the project is consistent with a currently approved district OEDP.

Subpart B—Standards for Designation, Modification, and Termination of Economic Development Centers

§302.10 General standards for designation of economic development centers.

EDA may designate an economic development center if such proposed center:

(a) Has been identified and included in an approved district OEDP;

(b) Is recommended by the State or States affected. Written concurrence from the State must be received by EDA;

(c) Is geographically and economically so related to the economic development district that the economic development center's economic growth may be expected to contribute significantly to the alleviation of distress in the redevelopment areas of the district;

(d) Does not have a population in excess of 250,000 according to the last preceding Federal census;

(e) May reasonably be expected to accelerate or maintain existing rates of growth in terms of population, employment, and income;

(f) Has the prospect of developing a diversified economy providing a wide range of health, educational, recreational, and cultural facilities; a relatively

large local market; a relatively large well-trained labor force; and other similar qualities which encourage the continuing growth of economic activities; and

(g) Is an active participant in the district economic development program.

§302.11 Number of economic development centers per district.

EDA will designate the single leading growth point in an EDD as the economic development center. However, additional centers may be designated where unusual conditions exist in the district, such as for example:

(a) Where the district contains a relatively large number of redevelopment area residents who do not have reasonable commuting access to any one economic development center; and

(b) Where the district contains several smaller growth points rather than one leading economic development center.

§302.12 Boundaries of economic development centers and boundary modifications.

(a) An economic development center is administratively defined as a city or grouping of contiguous incorporated places. However, where justified, boundaries may be extended to include adjoining minor civil divisions or corridors of growth between centers.

(b) EDA may modify either the boundaries of an economic development center or the number of economic development centers in a district after giving notice and opportunity for comment to the State or States affected, if such modification will contribute to a more effective program.

§302.13 Termination and suspension of economic development centers.

(a) EDA may, upon 30 days prior notice to the interested State and local agencies, terminate the designated status of an economic development center when:

(1) The economic development center is no longer identified or recommended for designation in an approved district OEDP;

(2) The economic development center no longer meets the standards for designation, §302.10;